

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: RATEMAKING PRINCIPLES PROCEEDING	DOCKET NO. RMU-01-11
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ORDER TERMINATING RULE MAKING

(Issued May 24, 2002)

On September 14, 2001, the Utilities Board (Board) issued an order commencing a rule making to receive public comment concerning proposed new Chapter 41 to reflect changes to Iowa Code chapter 476 that were enacted in House File 577; in particular, section 12 of House File 577. Written comments were filed and an oral presentation was held on November 27, 2001.

Pursuant to the authority of Iowa Code § 17A.4(1)"b" (2001), the Board will terminate the rule making. The Board's reasons for termination are set forth in the attached notice of intended action.

IT IS THEREFORE ORDERED:

1. A rule making, identified as Docket No. RMU-01-11, is terminated.

2. The Executive Secretary is directed to submit for publication in the Iowa Administrative Bulletin a notice in the form attached to and incorporated by reference in this order.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 24th day of May, 2002.

UTILITIES DIVISION [199]

Notice of Termination

Pursuant to Iowa Code sections 17A.4 and 476.1 and 476.53 (2001 Supp.), the Utilities Board (Board) issued an order on September 14, 2001, in Docket No. RMU-01-11, In re: Ratemaking Principles Proceeding, "Order Commencing Rule Making." The commenced rule making would add proposed new Chapter 41 containing the filing requirements for the ratemaking principles proceedings provided for in Iowa Code section 476.53 (2001 Supp.). This section allows rate-regulated public utilities that file an application to construct or lease generating plants that meet certain criteria to request that the Board specify in advance the ratemaking principles that will apply when the costs of the facility are included in regulated electric rates. Proposed new chapter 41 outlined the filing requirements for a rate-regulated public utility to follow when it makes a filing to initiate a ratemaking principles proceeding.

Notice of Intended Action for the proposed rule making was published in IAB Vol. XXIV, No. 7 (10/3/01), p. 492, as **ARC 0993B**. Written comments were filed by MidAmerican Energy Company (MidAmerican), Alliant Energy, and the Consumer Advocate Division of the Department of Justice. An oral presentation was held on November 27, 2001. Several changes were proposed in the comments.

Currently, the Board has pending before it the first ratemaking principle proceeding. The proceeding involves MidAmerican and is identified as Docket No.

RPU-01-9. The Board's decision in this case may impact the filing requirements for future proceedings. Therefore, the Board believes it will be more efficient to commence a new rule making subsequent to its decision being issued, rather than adopting rules now and perhaps having to amend them significantly in the near future. Also, some of the changes proposed by the commenters to the rules as noticed, if adopted by the Board, would likely have required renoticing. However, for utilities preparing to file an application for determination of ratemaking principles in the near future, the proposed rules remain a useful guide in preparing the applications. Information that the Board finds necessary that is omitted from the application can be filed in response to subsequent Board orders.

Pursuant to the authority of Iowa Code § 17A.4(1)"b," the Board will terminate the proposed rule making published in IAB Vol. XXIV, No. 7 (10/3/01), p. 492, as **ARC 0993B**.

May 24, 2002

/s/ Diane Munns

Diane Munns
Chairman